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The Roman Catholic Bishop of Fresno

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF CALIFORNIA, FRESNO DIVISION

13 In re
14 THE ROMAN CATHOLIC BISHOP OF
FRESNO,
15 Debtor-In-Possession
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Case No. 25-12331-B-11
Chapter 11
DC No.: MB-02
Hearing
Date: July 7, 2025
Time: 10:30 a.m.
Place: Courtroom 13 (Dept. B), Fifth Floor
United States Bankruptcy Court
2500 Tulare Street
Fresno, CA 93721
Judge: Hon. René Lastreto II
Order Shortening Time

INTERIM ORDER (1) AUTHORIZING CONTINUED USE OF EXISTING CASH MANAGEMENT SYSTEM, OPERATIONAL BANK ACCOUNTS, AND RELATED INVESTMENT ACCOUNTS; (2) AUTHORIZING MAINTENANCE OF EXISTING BUSINESS FORMS; (3) EXCUSING COMPLIANCE WITH 11 U.S.C. § 345(b); (4) AUTHORIZING CONTINUED USE OF CURRENT INVESTMENT POLICY; AND (5) SCHEDULING A CONTINUED INTERIM HEARING

27 The motion of The Roman Catholic Bishop of Fresno (the “Debtor” or “RCBF”) for interim
28 and final orders: (1) authorizing the continued use of existing cash management system, operational

1 bank accounts, and related investment accounts; (2) authorizing maintenance of existing business
2 forms; (3) excusing compliance with 11 U.S.C. § 345(b); (4) authorizing continued use of current
3 investment policy; and (5) scheduling a final hearing (the “Motion”) was heard at a preliminary
4 hearing on July 7, 2025 at 10:30 a.m., before the Honorable René Lastreto II of the United States
5 Bankruptcy Court, Eastern District of California. Hagop T. Bedoyan, Esq., of McCormick, Barstow,
6 Sheppard, Wayte & Carruth LLP appeared on behalf of the Debtor. All other appearances were
7 noted on the record. Unless otherwise indicated, capitalized terms not otherwise defined in this
8 Order shall have the same meanings ascribed to them in the Motion.

9 The Court having considered the Motion, the Memorandum of Points and Authorities, the
10 Martin Background Decl., the Oller Background Decl., the Martin Decl., all exhibits filed in support
11 of the Motion, and the representations made by counsel at the hearings as reflected in the record of
12 the hearing; and the Court having found that it has jurisdiction over this proceeding; that this is a
13 core proceeding; that notice of the Motion has been given to the Office of the U.S. Trustee, the Cash
14 Management Banks, the twenty (20) largest unsecured creditors, all secured creditors, if any, and
15 any applicable governmental entities; that no further notice is necessary; the Court finding that there
16 is good cause for entry of an immediate interim order pursuant to Fed. R. Bankr. P. (“Rule”) 6003
17 to the extent applicable, and that ample cause exists to grant waiver of the 14-day stay imposed by
18 Rule 6004(h) if any for the entry of an interim order granting the Motion; that the relief sought in
19 the Motion is in the best interests of the Debtor, its estate, and its creditors; and that good and
20 sufficient cause exists for such relief,

21 **IT IS HEREBY ORDERED AS FOLLOWS:**

22 1. The Motion is GRANTED on an interim basis as set forth herein;

23 2. The Debtor is authorized to: (a) designate, maintain, and continue to use its existing
24 Bank Accounts identified in paragraph 15 of the Motion (the “Cash Management Banks”) with the
25 same account numbers; and (b) continue to use its existing Cash Management System, which
26 includes use of the Investment Accounts, credit cards, debit cards, credit card processing systems
27 and investment policies. In connection with the ongoing use of the Cash Management System, the
28 Debtor shall continue to maintain strict records with respect to all transfers of cash so that all

1 transactions may be readily ascertained, traced, recorded properly, and distinguished between
2 prepetition and postpetition transactions, and between the Debtor and any non-debtor.

3 3. Each of the Debtor's existing depository and disbursement banks including the Cash
4 Management Banks, are authorized to debit the Debtor's accounts in the ordinary course of business
5 without the need for further order of this Court for: (i) all checks drawn on the Debtor's accounts
6 which are cashed at such banks' counters or exchanged for cashier's checks by the payees thereof
7 prior to the Petition Date; (ii) all checks or other items deposited in one of the Debtor's accounts
8 with such bank prior to the Petition Date which have been dishonored or returned unpaid for any
9 reason, together with any fees and costs in connection therewith, to the same extent the Debtor was
10 responsible for such items prior to the Petition Date; and (iii) all undisputed prepetition amounts
11 outstanding as of the date hereof, if any, owed to any bank as service charges for the maintenance
12 of the Cash Management System.

13 4. Any of the Debtor's Cash Management Banks may rely on the representations of the
14 Debtor with respect to whether any check or other payment order drawn or issued by the Debtor
15 prior to the Petition Date should be honored pursuant to this or any other order of this Court without
16 any duty of further inquiry and without liability for following the Debtor's instructions.

17 5. That (i) those certain existing deposit agreements between the Debtor and its Cash
18 Management Banks shall continue to govern the postpetition cash management relationship between
19 the Debtor and the Cash Management Banks, and that all of the provisions of such agreements,
20 including, without limitation, the termination and fee provisions, shall remain in full force and
21 effect, and (ii) the Debtor or the Cash Management Banks may, without further order of this Court,
22 agree to and implement changes to the Cash Management System and procedures in the ordinary
23 course of business, including, without limitation, the opening and closing of bank accounts.

24 6. Nothing contained herein shall prevent the Debtor from opening any additional bank
25 accounts or closing any existing Bank Account(s) as it may deem necessary and appropriate, and
26 the Cash Management Banks are authorized to honor the Debtor's request to open or close, as the
27 case may be, such bank accounts or additional bank accounts; provided however, that any new
28 account shall be a debtor in possession account and shall be at a bank that is insured with the Federal

1 Deposit Insurance Corporation that is organized under the laws of the United States or any State
2 thereof and that such account is either bonded or securitized as described in 11 U.S.C. § 345(b)
3 should the amount exceed the FDIC insurance limit, and listed on the U.S. Trustee's list of
4 authorized depositories for the Eastern District of California.

5 7. Any and all accounts opened by the Debtor on or after the Petition Date at any bank
6 shall, for all purposes under this Interim Order, similarly be subject to the rights and obligations of
7 this Interim Order.

8 8. The Debtor and the Cash Management Banks are hereby authorized to continue to
9 perform pursuant to the terms of any prepetition agreements that may exist between them, except to
10 the extent otherwise directed by the terms of this Interim Order. The parties to such agreements
11 shall continue to enjoy the rights and remedies afforded to them under such agreements, except to
12 the extent modified by the terms of this Interim Order or by operation of the Bankruptcy Code.

13 9. Except as provided in this Interim Order, the Debtor is authorized to continue to use
14 its existing business forms and stationary without alteration or change.

15 10. Except as otherwise set forth in this Interim Order, the Debtor is authorized to
16 continue its current investment practices as described in the Motion and related pleadings, including
17 but not limited to the use of the WFA Investment Accounts. The Debtor is excused from
18 redesignating the WFA Investment Accounts as debtor in possession accounts and complying with
19 the requirements of 11 U.S.C. § 345(b) as to the Investment Accounts.

20 11. The Debtor shall have its Bank Accounts at Wells Fargo Bank, Bank of the Sierra,
21 and Axos Bank designated as "Debtor in Possession" accounts by the institutions within 15 days
22 and provide proof of the same to the U.S. Trustee no later than the final hearing on the Motion.

23 12. The Debtor shall attach account statements for the Debtor's credit cards to its
24 Monthly Operating Reports.

25 13. Neither this Interim Order, nor the Debtor's payment of any amounts authorized by
26 this Interim Order, shall: (i) result in any assumption of any executory contract by the Debtor; (ii)
27 result in a commitment to continue any plan, program, or policy of the Debtor; or (iii) impose any
28 administrative, prepetition, or postpetition liabilities on the Debtor.

1 14. In granting the Motion, the Court is not making any findings or determinations as to
2 what is or is not property of the estate. Nothing herein constitutes judicial approval or disapproval,
3 or judicial determination, of what assets are or are not restricted or held in trust or property of the
4 estate or what expenditures are reasonable or appropriate.

5 15. To the extent the fourteen (14) day stay of Rule 6004(h) may be construed to apply
6 to the subject matter of this Interim Order, such stay is hereby waived.

7 16. The Debtor is authorized to take the actions necessary to effectuate the relief granted
8 in this Interim Order.

9 17. The Court shall retain jurisdiction to hear and determine all matters arising from
10 implementation of this Interim Order.

11 18. A further interim hearing on the Motion shall be heard on July 10, 2025 at 9:30 a.m.
12 for the sole purpose of determining whether the parish accounts should be excluded from the
13 requirements of 11 U.S.C. § 345(b). The Debtor shall supplement the Motion as necessary with
14 information pertaining to the parish accounts prior to the date of the further interim hearing.

15 20. Counsel to the Debtor is directed to serve a copy of this Interim Order on all parties
16 on the Limited Service List, as defined in the Debtor's *Motion for Interim and Final Orders to (1)*
17 *Establish Notice Procedures; (2) File Confidential Information Under Seal; and (3) Temporarily*
18 *Suspend Deadline for Filing Nongovernmental Proofs of Claim* [MB-06] on file herein, within five
19 (5) business days of the entry of this Interim Order and to file a certificate of service with the Clerk
20 of the Court.

21 APPROVED AS TO FORM:

22 OFFICE OF THE UNITED STATES TRUSTEE

23 By: _____

24 Jason Blumberg

25 /s/ ROBERT CHARLES

26 Robert Charles, Attorney for Parishes of the
27 Roman Catholic Bishop of Fresno

28 Dated: Jul 08, 2025

By the Court

René Lastreto II
René Lastreto II, Judge
United States Bankruptcy Court